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## Indonesia

**Post:** Jakarta

### **U.S. Non-dairy Creamer Not Subjected to Unnecessary Reg. Control**

**Report Categories:**

Export Accomplishments - Other

**Approved By:**

Ali Abdi

**Prepared By:**

Fahwani Y. Rangkuti & Jonn Slette

**Report Highlights:**

Indonesia's National Agency for Drug and Food Control (BPOM) clarified that U.S. non-dairy creamer does not require any statements or certificates regarding genetically modified (GM) material.

Moreover, U.S. non-dairy creamer certificate does not require any additional testing for the presence of genetically modified organisms (GMO).

## **General Information:**

### **WHAT, WHERE, AND WHEN**

On May 2, 2013, Indonesia's National Agency for Drug and Food Control (BPOM) clarified that U.S. non-dairy creamer does not require any statements or certificates regarding genetically modified (GM) material. Moreover, U.S. non-dairy creamer certificate does not require any additional testing for the presence of genetically modified organisms (GMO).

In early April 2013, a supplier for a major Indonesian coffee manufacturer was unable to clear several containers of U.S. origin non-dairy creamer from Tanjung Priok, the port of Jakarta. According to BPOM officials, the containers were not released because they were not accompanied by lab tests and/or documents stating the products GM material contents. FAS Jakarta officials engaged with BPOM regulators and informed them about the U.S. food safety system for processed products.

### **HOW**

FAS Jakarta successfully engaged with BPOM officials to provide them with first hand information about how the United States treats products derived from corn, soybeans and other common agricultural commodities.

Post officials noted that BPOM Regulation No. HK. 03.1.23.03.12.1564/ 2012 stated that foods processed and/or refined to the point when GM proteins are no longer detectable do not require GM statements. These products include, but are not limited to oils, fats, sugar, and starch (article 9). During the meeting, BPOM officials agreed with Post's interpretation of the aforementioned regulation. BPOM officials clearly expressed that U.S. non-dairy creamer should not be subjected to those requirement and agreed to issue clearance. As of June 3, 2013, 37 of 40" containers of U.S. non-dairy creamer have been imported by the importing company.

### **WHY**

Prior to 2010, no U.S. non-dairy creamer was exported to Indonesia. However, in 2010, FAS Jakarta organized an Indonesian buying mission under CSSF for the IFT food show. As a result, one of the mission delegates began to import and supply U.S. non-dairy creamer to a large coffee beverage manufacturer. In 2010, U.S. non-dairy creamer exports to Indonesia totaled \$3.7 million. U.S. exports grew significantly in 2011 and were valued at \$19.6 million. Post is confident that as Indonesian consumers purchase more coffee, the market for non-dairy creamer will continue to be strong.

Indonesian coffee consumption is made up of two major segments, which includes roasted and grounded (R&G) and soluble (instant) coffee. R&G coffee accounts for 70 percent of total consumption. Thirty percent of total Indonesian consumption is instant coffee products. Mixed coffee products or 3-in-1 coffee are a major driver of Indonesian coffee consumption growth. Powdered R&G

and instant coffee powder is mixed with sugar and non-dairy creamer into small packets to make 3-in-1. The packets are sold at street kiosks and small stores throughout Indonesia and are consumed by every socio-economic level. Strong growth in the coffee shop sector is another significant driver of Indonesian coffee consumption growth.

Indonesian coffee consumption is expected to grow from 2.36 million bags (@60kg) in MY 2011/2012 to 2.54 million bags in MY 2012/2013. Consumption growth is primarily driven by growth in instant.

BPOM's clarification that the U.S. non-dairy creamer can enter Indonesia without GMO statements or unnecessary laboratory tests will generate better access for Indonesian end users and will enhance the ability of U.S. exporters to consistently supply the Indonesian market.